

Best Practices Guide to Email Acquisition

Maximizing Opportunities to Build a More Valuable Opt-in List

Discover the keys to creating memorable opt-in experiences that pave the way for more profitable email relationships. Inside, get tips and guidance on acquiring email addresses the smart way. You'll learn:

- How to persuade prospects and customers to opt in
- What they want and need to know before they opt in
- What information you should and shouldn't ask for when they opt in
- How to gain their permission to begin emailing them confidently
- Do's and don'ts for online and offline acquisition tactics
- How to make the opt-in process as efficient and effective as possible

Overview

Every year marketing organizations spend thousands or even millions of dollars to attract new customers, but email acquisition remains difficult — and a top priority for email marketers. Email is an extremely effective tool for nurturing new customer relationships and retaining loyal customers. However, due to expanding consumer privacy protection laws, using email as an acquisition tool is challenging.

Today, marketers realize that other traditional online and offline channels, as well as emerging tactics such as social networking and paid search, create an abundance of opportunities to acquire new email addresses. Now, the challenge is to maximize those acquisition opportunities while complying with legal requirements and industry best practices for maximum return on investment.

This white paper provides a comprehensive collection of recommendations and best practices for email acquisition — balancing the need to respect customer preferences with the imperative to deliver greater value to the organization.

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Focus on “Organic” Growth Methods

In late 2005, the Email Sender & Provider Coalition (ESPC) established a requirement stating that commercial email must not be sent to an individual unless prior “affirmative consent” from the individual has been obtained. The CAN-SPAM Act defines “affirmative consent” as the recipient’s express consent “to receive the message, either in response to a clear and conspicuous request for such consent or at the recipient’s own initiative.” Further, the acceptable use policy of most email service providers (ESPs) and Internet service providers (ISPs) prohibits unsolicited commercial email. In practice, this means that:

*As a responsible permission-based marketer,
you must not send commercial email to an individual unless you have
already received the individual’s express permission to do so.*

The CAN-SPAM Act also states that, if and when consent is obtained, an individual must be given “clear and conspicuous notice” that his or her email address could be shared with third parties, if applicable.

Clearly, this classifies tactics such as email address harvesting and random email address generation (“dictionary attacks”) as unacceptable methods of email acquisition. It also raises concerns about third-party list rentals or email appends, where you run the risk that your email may be considered unsolicited by recipients — especially if the permission practices of the list owner are not up to standards.

Adding promotional content to transactional email messages (e.g., promoting your newsletter or other products/services in an order confirmation email) has even become a gray area — although the Federal Trade Commission (FTC) has responded with some clarification and guidelines. (Those guidelines will be covered later in this document.)

Overall, the use of email itself as an acquisition tool has become significantly more challenging over the past year, and marketers are now favoring more “organic” methods of list growth.

Organic growth — capturing email addresses directly through everyday online, phone, mail, and in-person customer interactions — is proving to be the most effective way to grow your in-house list. Marketers are leveraging a combination of channels and exploring new ways to establish the business relationship first, and then gaining permission to email. They’re investing in a variety of marketing tactics to drive interest, and then using email to nurture the relationship cost-effectively. These tactics include:

- Paid search marketing
- Search engine optimization and blogging
- Online advertising and email/site sponsorships
- Direct mail and print advertising campaigns
- Telemarketing and call center scripting
- In-person interactions

While email is allocated a smaller percentage of an increased marketing budget, it's getting more attention and recognition as an effective conversion and retention tool when used as part of an integrated multichannel dialogue.

Understand the Value of an Email Address

Today, 75 percent of email marketers rank “growing a bigger opt-in list” as a top priority¹, with an emphasis on quality, not quantity. Why? Because active opt-in email addresses acquired with express permission (or “affirmative consent”) generate higher response rates, conversion rates, and revenue than emails acquired without it. Many companies are even able to quantify the value of an opt-in email address to the organization.

Assuming an average of \$5 to \$50 per email, a database with 200,000 addresses can be considered a precious company asset worth between \$1 million and \$10 million.

How much is an email address worth to your company? If you can't give your answer in dollars yet, consider this: no email address is worth damaging your brand equity, company reputation, or customer relationships. The manner in which you acquire an email address and use it — especially at the beginning of a relationship — can impact several facets of your marketing, including your delivery rates, customer experience, and overall return on investment (ROI).

This paper is not designed to help you decide whether paid search or newsletter sponsorships will be a better acquisition method for you. The goal is to help you ensure that, once you've captured someone's interest and started a dialogue, you're doing everything humanly and legally possible to acquire his or her email address — and permission — to continue the relationship via email to the benefit of both parties. (This paper also assumes that in exchange for their email addresses you will be delivering relevant, valuable messages to your subscribers!)

Refine Your Opt-in Pitch

The new mantra is “up-sell, not cold call.” Successful marketers who are serious about growing their email list take advantage of every customer interaction and touch point, both online and offline, to ask for email addresses and obtain permission to email. (In fact, asking for email address twice is common practice to reduce typographical errors.) Tactics include:

- “Easy join” promotions (in the form of text, banners, and/or buttons) on web site home page and other high-traffic pages (if not on every page)
- Opt-in or subscribe option on campaign landing pages
- Customer service and call center representatives on the phone
- Offline campaign calls-to-action (e.g., print ad, direct mail ride-along, and/or standalone direct mail offer with URL to online opt-in form)
- Via paper form at conferences, events, or point of sale

What do successful companies say at each point of contact to persuade someone to provide their email address? In many cases, the relationship has just begun and trust has yet to be established. In other cases, the individual is simply accustomed to dealing with a company through offline channels or may be apprehensive about using email as a communication vehicle.

Whether through written or verbal communication, your opt-in pitch should not only tout the benefits of being on your email list but also set expectations about what exactly that entails. It should also reassure potential subscribers of the safety of their personal data.

Tips for Delivering a Persuasive Opt-in Pitch

- Clearly enumerate subscription benefits (what's in it for me?)
 - Reiterate your value proposition first and foremost
 - Explain in what format these benefits will come (e.g., newsletters, alerts, promotions, etc.)
- Set reasonable frequency expectations
 - Explain how often you (intend to) send messages
 - Highlight if/how subscribers can control frequency
- Provide a sample of the emails you send
 - Describe content verbally or provide a link online
 - Highlight if/how subscribers can control the type of content they receive (e.g., preference center)
- Anticipate and assuage fears about misuse/abuse of personal data
 - Provide a link to your privacy policy (online)
 - Summarize your privacy practices and communication philosophy in compelling sound bytes (offline)
- Use language and/or imagery to convey the warmth of your brand and reinforce your company "voice" or "personality"
 - Develop a script for more consistent verbal communications
- Keep required information to a minimum
 - Avoid asking for sensitive information
 - Only ask for information you have a plan to use
 - An explanation for requesting additional information may help with conversion (e.g., will be used to provide more personalized, relevant communications)

Crafting a well thought-out, concise opt-in pitch following the guidelines above will help increase your power of persuasion. It will also help you attract only the most qualified (responsive) subscribers who are clearly interested in what you have to offer. To maintain customer trust and avoid legal actions, be sure you deliver on your value proposition!

But first, don't forget about establishing permission, or affirmative consent. You may even be required to show proof of permission (e.g., to ISPs) in the event of spam complaints.

Collect Proof of Permission

Most email service providers require their customers to gather multiple subscriber data points as proof of permission. This enables the ESP to work directly with ISPs on your behalf in the event of spam complaints. Whether or not you enlist the deliverability services of your email marketing partner, keeping a record of when and how someone subscribed to your mailing list is best practice.

Requirements for Online Acquisition

For online acquisition methods, proof of permission requires collection of:

- Email address
- Date and timestamp
- IP address
- Level of permission obtained or method used

The collection of first and last name, source (source code), and other preference data is highly recommended but not required. Typically, though, your email marketing system can automatically capture and store all of this data for you.

Requirements for Offline Acquisition

For offline acquisition, proof of permission requires collection of:

- Email address
- Date
- Source (e.g., call center or store number)

Additionally, you may be requested to furnish the following:

- Copy of offline paper form
- Copy of script used by customer service representatives
- Employee training materials and process documentation

Thorough recording of permission, as well as general campaign response activity, is useful for resolving spam complaints and maintaining good standing with ISPs (in fact, it's a requirement for most whitelisting programs). It also helps you ensure that you have obtained — and are continuing to maintain — an acceptable level of permission from each subscriber on your list.

Permission is not a one-off event, and maintaining permission requires commitment to delivering relevant, valuable information to your subscribers on a regular basis. If you don't deliver on your value proposition, email too infrequently, or have a significant number of inactive subscribers, you'll want to reconfirm permission periodically.

Obtain Acceptable Level of Permission and Affirmative Consent

Permission is the foundation of any successful email marketing program. Legally you have options when it comes to obtaining permission. By following best practices, however, you can expect higher deliverability and response rates, a better customer experience, and increased trust and brand affinity.

The following subscriber acquisition methods are recognized as acceptable. The use of each method requires attention to detail and careful execution in order to comply with industry regulations and best practices.

The permission level recommended by the ESPC is “opt-in” at a minimum and “double (confirmed) opt-in” where appropriate. Double opt-in can reduce erroneous mailings due to typos or forgery and protect good will toward your company/brand. Senders may want to pursue opportunities to upgrade permission levels and to manage preferences.²

Summary of Permission Methods

Method	Summary Description	Comments
Double Opt-in (also called “closed-loop” or “confirmed” opt-in)	Unchecked box with follow-up email that requires further action to complete subscription	The “gold standard” of consent
Opt-in	Unchecked box (with or without follow-up email)	The most commonly used method; confirmation or welcome email recommended
Opt-out	Pre-checked box (with or without follow-up email)	Not considered by the FTC as “affirmative consent”; assumes prior business relationship
Offline Opt-in	Paper form, telephone conversation, in-person conversation	Requires overt messaging and documented script
Opt-in append	Opt-in invitation sent to customers with a previous transactional business relationship only	Opt-in invitation must not contain promotional material

Double Opt-in: The “Gold Standard” of Permission

Definition: Following an initial opt-in request or action (e.g., form submit), a confirmation email is subsequently sent to notify the person that some action is necessary before his or her email address will be added to the list. The person must then respond or take other equivalent action (e.g., click on a link) to be considered “confirmed.”³

The “double opt-in” method is considered the cleanest and highest level of permission and is especially appropriate for offline acquisition and publishers of adult content. Users report better deliverability, open, and conversion rates, yet only 10-15% of all marketers use this method.⁴ Requiring subscribers to take that extra step does have its pros and cons: While it eliminates the potential for abuse (i.e., someone can’t opt in using your email address), marketers can expect to lose about 20-30% of subscribers during the opt-in confirmation process.⁵

Double Opt-in Do’s.....

- Follow the aforementioned tips on crafting a persuasive opt-in pitch
- Mention forthcoming email confirmation on opt-in and thank-you pages
 - Make it clear that individual must respond to email in order to complete subscription process
 - If possible, detail what to expect in the “from” and “subject” lines
 - Ask subscribers to add you to their address books, and give instructions on how to do so
- Immediately (or within 24 hours) trigger the opt-in confirmation email (in branded HTML/AOL/Text format)
 - Remind subscribers to add you to their address books, and give instructions on how to do so
 - Upon response, trigger a welcome email immediately
 - If no response after 72 hours, send follow-up or “last chance” confirmation email

Double Opt-in Don’ts.....

- Be inconsistent with your branding — keep it recognizable from web site/opt-in page to confirmation and welcome emails
- Use ‘spammy’ subject or from lines in the confirmation email — you want it to reach the subscriber’s inbox
- Use confusing language and text formatting in the confirmation email — make it as easy as possible to respond

Tip for Add-to-Address-Book Tactic

One retailer recently found that graphical “Add-to-Address Book” modules located within the body of an email message performed 10 times better than text-based requests at the very top of an email message.

Test results, based on 365,000 emails delivered, showed that:

- Add-to-address-book copy at top of email generated <100 clicks
- Module within body of email generated >1,000 clicks⁶

Single Opt-in: The Unchecked Box

Definition: At the point of email address collection, a person has affirmatively requested to be included on an email list to receive commercial email.⁷

Single opt-in is the most prevalent subscriber acquisition method, used by 35-40% of all marketers.⁸ It requires the user to take proactive steps to subscribe, but typically those steps are few and easy to accomplish. There is a strong correlation between ease of form completion and conversion-to-opt-in rate — drop-off increases with an overly long or confusing form, and there is some risk of fraud (others may enter your email address).

Single Opt-in Do's.....

- Follow the aforementioned tips on crafting a persuasive opt-in pitch
- Keep online forms short to minimize clicks
 - Two clicks are already required to check the box and hit the submit button — position them close together
- Make it clear that checking the box means opting IN
 - Add a text phrase next to the check box that begins with “Yes!”
- Immediately trigger a welcome or confirmation email (even if it does not require any action or response)
 - Reiterate the benefits of your email program, set scope expectations, and link to your privacy policy
 - Instruct and encourage subscribers to use the preference center, if applicable
 - Ask subscribers to add you to their address books, and give instructions on how to do so

Single Opt-in Don'ts.....

- Use confusing language next to the unchecked box (e.g. “If you don't want to receive email from us, do not check this box” — huh?)
- Collect email addresses and then use them for a different purpose (e.g., require email for product registration or customer service, then deliver marketing messages) — this applies to all methods

Opt-out: The Pre-checked Box

Relying on opt-out without a prior business relationship is tantamount to sending unsolicited commercial email, and is a violation of the ESPC Member Pledge.⁹

Definition: A person with whom the sender has a prior business relationship is added to an email list, such as in the case of a transactional relationship being extended to include a commercial one. The person must actively request NOT to be included or retained on the list in order not to receive future communications.

Even with a prior business relationship, the best practice is to notify the person at the point of address collection, or in the first communication, of your intent to communicate with him or her, and then to upgrade permission to opt-in status — preferably double opt-in — as soon as possible.¹⁰

Stop Pre-Checking Checkboxes!

If you check the box for your visitors, then you are really forcing the prospect to opt out. You’ve now put them in a “no” mindset. Just leave the checkbox unchecked and make the prospect do the “work.” Why? ‘Cause it’s a major buying signal — it signifies commitment. Get them in a “yes” mindset and they are much more likely to act or transact.¹¹

— From *Call to Action: Secret Formulas to Improve Online Results*
by Bryan and Jeffrey Eisenberg ©2005 Future Now, Inc.



For the purposes of this guide, opt-out shall be considered only in the context of a prior business relationship, when a person is presented with a pre-checked box and must actively uncheck the box to avoid being added to the list.

Adopted by 20-30% of marketers, opt-out is most often used when the email address is collected as part of a different or separate transaction (e.g., web site registration or download, free trial offer, sweepstakes, online purchase process, etc.).¹² Responsible ESPs allow marketers to use the pre-checked box only if:

- Subscribers must take an action to confirm consent (e.g., click a “submit” button)
- The language next to the pre-checked box is visually prominent and clear
- The “submit” button is visually near the pre-checked box

Opt-out Do's.....

- Use opt-out in appropriate contexts (e.g., during site registration)
- Follow the aforementioned tips on crafting a persuasive opt-in pitch
- Carefully design your subscription form
 - Place “submit” button right next to the opt-out box
 - Make it clear that a pre-checked box means that users will begin receiving email if they do not change selection (uncheck the box)
- Immediately trigger a welcome email – upgrade permission level to confirmed opt-in if possible
- Measure the impact of this method on list quality and responsiveness (Does the lift in database growth outweigh the potential for “dead weight” or non-responsive subscribers on the list?)

Opt-out Don'ts.....

- Attempt to obscure the fact that the consumer is opting in to receive marketing messages
- Use a pre-checked box to gain consent for third party offers or list rentals



Offline Acquisition

A much less common way to acquire permission, carefully executed offline email address collection, via paper form or telephone, is encouraged. In many cases, email addresses collected offline prove to be more responsive than those collected online. For example, a recent survey showed that while only 35% of marketers use service calls to acquire emails, more than two-thirds of them rate the quality of the resulting names highly.¹³ Expect to lose ±10% of addresses due to illegible handwriting and/or data entry errors

Offline acquisition can happen at any point of customer contact, typically as part of a regular business transaction occurring in a call center or during an in-store visit or purchase. Direct mail is another form that offers multiple types of options for responding to your opt-in pitch (reply card, phone, or URL). The pitch could be made in the form of a ride-along (e.g., bill stuffer) or as a mailing designed specifically to acquire email subscribers.

Offline Do's.....

- Develop a comprehensive plan
- Consider employee or store incentives for soliciting opt-in
- Create a script for communicating the benefits of opting-in, and train employees to use it to acquire email addresses and document procedures
- Develop data entry plan for swift inclusion in your database
 - Require call center reps to use online forms
 - Institute source tracking
- Immediately trigger a welcome or confirmation email
 - Personalize email with reminder/details about the opt-in source
 - Consider re-confirming permission (upgrading to confirmed opt-in level of permission)

Offline Don'ts.....

- Let email addresses age before use
- Add offline names into email communication stream without an introduction or welcome to the program
- Forget to develop a clear policy for dealing with offline opt-outs
- Make tiny space allowance for email address on paper forms: provide enough space for a hand-written email address — boxes work best

Capitalize on Transactional Email Messages

Marketers whose companies conduct business transactions over the Internet have a unique opportunity to acquire email subscribers through email itself. Integrating “commercial” or “promotional” content into a “transactional” email message, however, is tricky — namely because “commercial” email messages are subject to CAN-SPAM laws, while messages that are “transactional or relationship” in nature are not.

The trick is to mix transactional and promotional content in the right ratio so that the “primary purpose” of the email is still deemed “transactional.” In a nutshell, a transactional email message is an email whose primary purpose is to:

- Facilitate, complete, or confirm a commercial transaction, or
- Provide notifications or information pertaining to a commercial product or service purchased or used by the recipient.

(Read this [fact sheet](#) for a more detailed description of the FTC’s “primary purpose rule.”¹⁴)

FTC Guidelines for Mixing Promotional and Transactional Content

The following guidelines can help you achieve your promotional objectives while maintaining compliance and ensuring the primary purpose of your message is still considered transactional.

Follow the Two-thirds/One-third Rule

More than two-thirds of your email content, whether text-based or graphical, must be information related to the transaction. The remaining one-third may be for promotional use. If you choose to include an up-sell or cross-sell message in your transactional emails, keep it subtle, relevant, and simple. Recipients will not react favorably if they have to weed through copious amounts of commercial content within their transactional confirmations.

Ensure Informational Content is Visually Dominant

Do not place any promotional content in the subject line or above the informational content in the message body. Promotional content must be visually distinct and separate from informational content and well “below the fold”. That means no banners at the top of the email. However, as long as it's carefully executed, a soft text-based or graphical promotional message in a sidebar is acceptable.

Additional Recommendations

Play It Safe in the Message Footer

Sometimes recipients are not able to (or are requested not to) reply directly to a transactional email message. More often, transactional messages are a condition of service and are not subject to unsubscribe requests. In such cases, best practice is to acknowledge and explain that fact in the message footer, and to provide alternative contact information and related links, including:

- Customer service email address or link to online customer service inquiry form
- Link to privacy or permission policy
- Link to profile update
- Physical address (street address, not PO Box)

Maintain Brand Consistency

Historically transactional email messages have been delivered as plain text, without any dynamic personalization, graphics, or links. They tend to look and feel completely different from a company's "other" emails, and are typically handled by IT departments. Consider having the marketing department take ownership of the content and update the look-and-feel to match other branded communications.

Don't Forget about ROI

Transactional messages are just as much a part of the customer experience as any other email communication you send. They should be monitored for inbox delivery, and any promotional links or calls-to-action should be measured to determine if this acquisition tactic is paying off.

Carefully Test Other (Less Direct) Tactics for Email Acquisition

Additional diligence is required any time you rely on a third party to connect you with potential customers or to promote your products and services on your behalf. These "advocates" or "affiliates" may be using a variety of tactics, from simple forward-to-a-friend mechanisms, to banner advertisements, to full-scale promotional email campaigns.

When it comes to the acquisition side of your email efforts, third-party arrangements are especially troublesome due to the lack of brand control and lack of access to information about where email addresses are really coming from. Unfortunately, too few marketers actively monitor their affiliates' email programs, putting their brand and bottom line at risk.

Highlighted below are just a few examples of third-party tactics used for email acquisition. When all is said and done, the third-party will not be held responsible for any CAN-SPAM or legal violations — you will. (See also [Keeping Tabs on Affiliate Marketers](#), Responsys update, January 2006.)

Co-Registration

A form of "affiliate marketing," co-registration is an arrangement in which companies collecting registration information from users (via email sign-up forms, shopping checkout process, etc.) include a separate box for users to check if they would also like to be added to a specific third party email list. This may be an 'in-kind' or reciprocal arrangement between partners, or a paid relationship on a per name basis.¹⁵

Co-registration is a powerful form of performance-based advertising, allowing users to self-identify themselves as willing to receive email communications from you and to begin a relationship with you. Recent studies report that these leads perform as well as, if not better than, leads from a company's own web site. And, at prices that average \$.58 for an

‘average’ name and \$1.66 for a ‘high-quality’ name, co-registration is a highly competitive and attractive acquisition option.¹⁶

Before Using Co-Registration...

Co-registration is most successful when networked sites are relevant to the company’s brand. JupiterResearch advises marketers to scrutinize the following when investigating potential co-registration partners:

- Obtain the complete list of sites in the co-registration network. Ensure they are competitively compatible and do not include any questionable acquisition sources.
- Investigate site traffic. Understand volume and source to ensure number and quality of visitors meet acquisition goals.
- Insist on segmentation, and include a segmentation question on registration forms.
- Partner with sites spending aggressively on their own customer acquisition.

Source: JupiterResearch Marketing Operations report MOA05-C01, E-mail Acquisition: Tactics to Improve E-mail List Growth, February 9, 2005¹⁷



List Rental

Many experts feel there are more effective ways to collect email addresses than renting third-party lists. Because high-quality lists are pricey, and successful acquisition requires the daunting task of converting consumers from an unsolicited email, Forrester Research believes that search marketing and online ads are more effective acquisition tools.¹⁸

List rental can be used successfully for email acquisition, given the right list and list owner. Lists-for-rent, in general, have become instinctively distrusted by direct marketers, due to historically sloppy permission practices and poor list performance. One advantage cited by many marketers, however, is the availability of both email and postal addresses. This enables more integrated multichannel campaigns, which typically result in higher ROI.

List Rental Recommendations

- Ask to rent only the most recently acquired names that meet your criteria. Recency data can be requested; unfortunately, most list owners don’t have it.
- As with other third-party acquisition methods, thoroughly investigate who you’re dealing with and how they build their own list
 - Research blacklists and abuse reports based on IP address
 - Seed their mailing lists
 - Demand proof of permission
 - Interview current clients and get references from other marketers

Forward-to-a-Friend (FTAF)

A form of viral marketing, forward-to-a-friend (FTAF) is a type of email functionality that enables an existing subscriber to share your email with colleagues. If done properly, it can be an extremely effective source of new email addresses, especially newsletter subscribers.

CAN-SPAM does not directly address FTAF; however the Federal Trade Commission (FTC) has done extensive analysis and interpretation:

- If you make FTAF functionality available without making any statement designed to urge someone to forward the message, then the forwarded message is not subject to CAN-SPAM laws — it is considered “routine conveyance” vs. initiation of commercial email.
- If you offer payment or induce recipients to forward the commercial message, then you are held legally responsible for ensuring the message includes an opt-out mechanism and otherwise complies with CAN-SPAM rules:
 - Promotional campaigns must include a “clear and conspicuous” notice of solicitation
 - A physical address or PO Box must be included
 - Sender must apply accurate suppressions prior to delivery (unsubscribes and spam complaints)
 - False and misleading headers and subject lines are prohibited

Note: There a difference between “Forward-to-a-Friend” and “Tell-a-Friend”. “Forward-to-a-Friend” sends a one-time *copy of your email campaign*. “Tell-a-Friend” sends a one-time email *invitation to subscribe* to your email list.

Forward-to-a-Friend Recommendations

- Don't be afraid to place FTAF mechanisms above the fold to spur email acquisition
- Capture the referring friend's name, email address, IP address, and the date/time of referral
- Limit form to allow users to forward to no more than five friends
- Do not use sweepstakes or promotional incentive to forward to multiple friends
- Use the referring friend's name in the subject line
- Allow the referring friend to add a personalized note/introduction to the forwarded message
- Explain to the friend that he or she will not be added to your list *unless* they subsequently subscribe
 - Remove all mechanisms for unsubscribing (avoid any potential harvesting of the referring friend's email address)
 - Host a separate opt-out page that allows the friend to proactively add his or her email address to your master email suppression file

Email Append

Overall, as an acquisition tactic, email append is not highly recommended nor considered best practice by many marketers.

Email append is a relatively controversial practice whereby a company takes records of customers for whom they know the complete physical address and matches those records against third-party email lists. B-to-C marketers typically have more success with email append than B-to-B marketers, but the average email append rate is less than 15%¹⁹

CAN-SPAM does not make email append illegal; however, testing shows that appended email addresses tend to be lower performers than those acquired organically. Further, a recent survey showed that 53% of respondents who have used the tactic found that email append either didn't work or was not worth the effort.²⁰

If you do test email append, be aware of the distinction between “opt-in” append and “opt-out” append:

- *Opt-out append* occurs when an individual is added to an email list, sent an email invitation, and required to click a link within that email (or otherwise take action) in order to opt out.
- *Opt-in append* occurs when an email invitation is sent to customers who are then required to click a link within the email in order to opt in.

Marketers using opt-in append tend to experience low response rates, making it difficult to justify from an ROI perspective. Meanwhile, most leading ESPs do not permit their customers to send to email addresses acquired through opt-out append methods.

Before Testing Email Append...

JupiterResearch advises marketers to pay attention to the quality of the data and understand the sources used by the appending company to acquire their email data.

- Investigate vendors' typical match rates on a domain level (free web mail accounts may have more delivery issues and lower response rates).
- Check freshness of data and frequency with which the company gathers this information and appends it to its database.
- Append fatigue. Even with high match rates, data may have already been shared with so many companies that the list significantly underperforms. Determine frequency with which data are used, and explore exclusive opportunities to build lists in directly competitive categories.

Source: JupiterResearch Marketing Operations report MOA05-C01, E-mail Acquisition: Tactics to Improve E-mail List Growth, February 9, 2005²¹



Recap and Summary Recommendations

Marketers must remain focused on acquisition opportunities throughout the year to compensate for the 20-30% annual churn rate typical of in-house email lists, even among loyal customers. A focus on long-term results, not short-term gains, will result in greatest success.

The guidelines in this paper are intended to help you maximize acquisition opportunities while ensuring compliance with legal requirements and industry best practices. They have been shown to improve email delivery rates, customer experiences, and overall marketing success.

Use them judiciously, and you'll be able create more "memorable" opt-in experiences and decrease the chances that your emails will be classified as spam. You'll also be rewarded with an improved ability to tailor your email messages to customer preferences and expectations — from day one of your email relationship — thereby increasing your marketing relevance and ROI. Remember, the first 30 days are the most critical in any customer relationship.

Summary of Best Practices

Make Opting In Ubiquitous, Convenient, and Compelling

- Institute opt-in mechanisms at every customer touch point
 - Web site: prominent locations on home page, landing pages, and other high-traffic pages (if not on every page)
 - Email campaigns: direct requests and forward-to-a-friend tactics
 - Call center: train reps to acquire address over the phone
 - In-person events: be prepared with pen and paper (or a fishbowl to collect business cards)
 - Offline campaigns:
- Harness synergies between different marketing media with one voice
- Emphasize benefits in your opt-in pitch

Build Subscriber Profiles Systematically

- Develop a profile-building strategy
 - Determine what data to ask for, when to ask, who to ask, and how to ask for it before investing heavily in acquisition tactics
- Keep initial opt-in process short and painless to complete
 - Start simple; minimize input fields at initial point of consent
 - Only require information necessary to begin email communications
 - "Nice-to-have" information should be optional but help with immediate segmentation
- Build profiles gradually over time
 - Only collect data you have a plan to use
 - Avoid asking for sensitive information
 - Focus on collecting the data needed to deliver more personalized, relevant communications (e.g. interests, preferences, demographics)

Put Customers in Control

- Comply with—and promote your compliance with—CAN-SPAM and other legal regulations
- Set expectations up front regarding type and frequency of email content
 - Ask for, understand, and adhere to consumer preferences
- Encourage regular profile updates
 - Link to profile page in every email with reminder to update preferences
 - Collect data directly within email if possible
- If feasible, assign unique logins and enable consumers to input their own password reminders in free-form text fields

Use Email Addresses Immediately

- Trigger a follow-up confirmation email to ensure addresses are live and valid; this will also help keep spam trap addresses off your lists
- Begin to message these contacts immediately (e.g., welcome message). Immediacy will help keep your brand top of mind and will rapidly identify inactive addresses.

Choose Acquisition Marketing Partners Carefully

- Investigate their overall marketing practices
- Check their client references
- Review their CAN-SPAM compliance
- Seed their mailing lists
- Ask for proof of opt-in
- Identify and approve of the affiliates’ affiliates

Finally, don’t attempt to make all this happen by hand. Build a business case for investing in additional technical resources and enabling technologies through careful targeting and testing (even if manually in the beginning). Focus on capabilities that will improve the customer experience both during the acquisition process and immediately after successful acquisition, including:

- Message triggering
- Dynamic content personalization
- Suppression management
- Address verification and error management
- Web analytics

Start with your email service provider — most of the technical capabilities discussed in this guide can be provided by the ESP or a partner company. Enlist the services of your ESP’s deliverability team for further guidance and best practices regarding email acquisition.

Resources

Direct Marketing Association (DMA)

<http://www.the-dma.org>

Email Sender & Provider Coalition (ESPC) Best Practices Guide

http://www.espccoalition.org/ESPC_Best_Practices_Guide_FINAL.pdf

Federal Trade Commission (FTC)

<http://www.ftc.gov/spam>

Future Now, Inc.

<http://www.futurenowinc.com>

Forrester Research

<http://www.forrester.com>

JupiterResearch

<http://www.jupiterresearch.com>

MarketingSherpa Email Marketing Benchmark Guide 2006

<http://www.sherpastore.com/Email-Marketing-Benchmarks-Conversion-Data-2006.html>

About Responsys

Responsys is a leading global provider of on-demand marketing solutions that empower companies to market more effectively through email, direct mail, and mobile channels. Since 1998, Responsys' hosted solution has served as a proven alternative to expensive, complex, on-premise marketing software.

Market leaders such as Avis Europe, Continental Airlines, Deutsche Lufthansa, E-LOAN, Intrawest Corporation, Lands' End, PETCO, and The Sharper Image use Responsys to improve the efficiency, effectiveness, and profitability of global marketing organizations. Responsys' [Individualized Lifecycle Marketing](#) (ILM) approach leverages intuitive workflow tools, pre-configured best-practice program libraries, and open integration to offer products and services designed to drive the fastest return on investment (ROI) in the marketing industry.

Headquartered in Redwood City, California, Responsys was ranked number one in overall business value and suitability by [JupiterResearch](#) in 2005 and was cited as a leader in the December 2005 [Forrester Wave: Email Marketing Service Providers, Q4 2005](#).

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The best practices in this guide take into consideration: legal requirements under CAN-SPAM and other relevant legislation; Email Sender & Provider Coalition (ESPC) member requirements; Internet Service Provider (ISP) guidelines; the recommendations of email service providers (ESP), respected marketing experts, and industry analysts; and the documented successes of direct marketers across industries.

Responsys provides this information as a service to its clients; however, Responsys can not provide legal advice, and you should contact an attorney for a more complete analysis, as well as guidance about the steps you need to take in order to comply with all laws and regulations.

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¹ MarketingSherpa Email Marketing Benchmark Guide 2006

² ESPC Best Practices Guide

³ Ibid

⁴ MarketingSherpa Email Marketing Benchmark Guide 2006

⁵ Ibid

⁶ Responsys anonymous customer case study, 2005

⁷ ESPC Best Practices Guide

⁸ MarketingSherpa Email Marketing Benchmark Guide 2006

⁹ ESPC Best Practices Guide

¹⁰ Ibid

¹¹ *Call to Action: Secret Formulas to Improve Online Results* by Bryan and Jeffrey Eisenberg 2005

¹² MarketingSherpa Email Marketing Benchmark Guide 2006

¹³ Ibid

¹⁴ Direct Marketing Association Primary Purpose Fact Sheet

¹⁵ MarketingSherpa Email Marketing Benchmark Guide 2006

¹⁶ Ibid

¹⁷ E-mail Acquisition: Tactics to Improve E-mail List Growth, JupiterResearch, February 9, 2005

¹⁸ Email Marketing FAQs for Beginners, Forrester Research, March 21, 2005

¹⁹ Ibid

²⁰ Ibid

²¹ E-mail Acquisition: Tactics to Improve E-mail List Growth, JupiterResearch, February 9, 2005